

TN**TDOT**Department of
Transportation

DBE ACCESS

TENNESSEE DEPARTMENT OF TRANSPORTATION CIVIL RIGHTS DIVISION

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In This Issue

- 2 Stop Being Competitive
- 3 How to Network At Special Events Effectively
- 4 Why You Need To Do Business Planning
- 5 Annual Meeting Announcement
- 6-7 Is Your Business Vulnerable to Fraud?
- 7 In Remembrance of Ms. Dorothy A. Bennett
- 8 New DBEs Recently Renewed Firms
- 9 Letting Dates

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DBE Supportive Services

IN FLIGHT

En route to 2020, a pilot's-eye view of how a DBE's business development life plan will assist DBEs in creating a smooth business landing.

Elizabeth Michael, Director of the Small Business Development Program

Our Support Services (SS) provider pilot for this five year business flight selected is Victor Tyler, P.E. of Tyler Construction Engineers, P.C. **The in-flight takeoff has occurred!** Tyler Construction Engineers, P.C. flight control instruments are fully functional, the cockpit and the plane are staffed with a qualified business crew and the SS program is perched to reach the 30,000 foot level with the much needed corresponding speed to provide SS technical assistance to TDOT and the **Tennessee Uniform Certification (TNUCP) Disadvantaged Business Enterprise DBEs**. Please join me in congratulating Victor Tyler and his team of professionals! I know they will deliver a great supportive services product to the arrival gate in 2020.

We are now operating with some major contract changes made to the overall scope of the TDOT Supportive Services contract as we deliver to DBEs over the next five years. One of our biggest changes and something that I view as an overall game changer for TNUCP DBEs is that now TDOT Support Services is available to all DBEs certified by any TNUCP. With such an expansive pool of DBEs added to this contract delivery, there have been some contract provisions added to ensure that TDOT still provides quality services to DBEs without compromising or straying from the U.S. DOT mandate of 49 CFR 26.

As we now travel (metaphorically speaking), with the anticipation and the overarching business need to **BUILD NEW BUSINESS CAPACITY** in the road, bridge and construction industry and ready our businesses to take flight, we continue to **encourage new DBEs to take advantage of the high quality business support** available from our TDOT Support Services Program.

One of our new SS resources is to assist DBEs in BUILDING NEW BUSINESS CAPACITY through the TDOT Business Development Program (BDP). The BDP will be a multi-year program that consists of enhanced developmental training and support conforms with [Appendix C to 49 CFR 26—DBE Business Development Program Guidelines](#). The Tyler Group plans to look at how to assist DBE firms in moving to the next stage of their individual firm's business capacity. Training and technical assistance will be one-on-one and custom-tailored for each participating business.

For your future on boarding, contact your TNUCP representative or TDOT's CRD SS coordinator, David Neese at David.Neese@tn.gov to learn more about the application process.

CIVIL RIGHTS MISSION STATEMENT: The Mission of the Civil Rights Division is to ensure adherence to Equal Employment Opportunity, Title VI and Small and Disadvantaged Business Initiatives.



Stop Being Competitive ...Say What?

There's much talk in our industry about being competitive. When I talk with my small business clients, they are mostly concerned with getting more work. The most often asked question is, "How can I win more work?"

Victor C. Tyler, P.E.,
A/E/C Management Consultant

Over the past several years, my response to that question has evolved from the usual industry response of, **"you must be competitive"** to **"you have to be competitive, but also profitable."** In other words, if you are not foremost profitable in your business, you are not going to be around long enough to even try to be competitive.

Your focus should not be on price, but on seeking and bidding on your business's most profitable job type and making the most of the tangibles (see below). Very few business owners and project managers understand this. In today's market environment, your customers are discovering that there are a lot of little things that matter more than low price.

I know you are saying, "But I'm in a low bid industry." Yes, that may be correct. What I'm saying is, **"your low bid must be a profitable bid as well. Otherwise, why submit the bid?"**

Where I start in helping small businesses is in looking deep into understanding my client's true cost of doing business. Basically, I review the accounting system and chart of accounts structure. Once we calculate the true cost of doing business, we can develop the correct markups to recover their cost of performing on each and every project. The details of all these calculations are covered in seminars and workshops conducted through the TDOT Supportive Service Program. On a one-on-one basis, I assist my clients in knowing, understanding, and controlling costs.

What are the small things (i.e., tangibles) a customer considers other than price?

- returning phone calls
- neat appearance
- keeping your appointments and being on time
- providing solid answers to customer questions

What are the bigger things (i.e., tangibles) a customer considers other than price?

- following through on what you say
- starting and finishing jobs on time
- communicating clearly and frequently with your customer
- keeping jobs clean from start to finish

Your customers say price is very important, but I guarantee you that they would really much rather select a company that will do their work well and communicate often during the project. Your customers do not want to worry if you are able to finish a job.

You still don't believe me? Just ask your customer (project owner, prime or general contractor) about the small and big tangible list above. **Yes, you can still check on your competition's prices, but don't just be solely competitive on price.**

Once you truly understand your cost of doing business and keeping it under control, settle on a pricing strategy. Afterwards, spend time on your sales skills and then you'll see how powerful these tangibles are in this industry.

Until next time, much success!



How to Network At Special Events

Are you maximizing your time
when you attend special
networking events?

...“Effectively”

Curtis Webb,
Marketing & Business Development Specialist

The TDOT 2015 Annual DBE meeting on Oct. 12th-13th, is a great place to connect and develop potential relationships that can enhance and bring benefits to your business.

To make the experience all it can be, there are a few questions about your business you need to prepare to answer. ***Is there anything holding my business back or keeping it from running as efficiently as it should be, and if so, what is it? Do I have a written plan as to how my business should operate or to my business expectations? Have I prioritized my needs and/or wants for my business?***

While many people attend networking events only looking for money making opportunities, there are other important takeaways to keep in mind when attending these events. The key is knowing what you are looking for and how to shift or change your questions depending on whom you are speaking with.



In answering one of the above questions, one of your issues could be acquiring a business loan. Depending on who you are networking with, that may be a question you ask while having a casual conversation with some financial person or someone in the banking business. You may be looking for support staff, better insurance or bonding rates, new business location, or partnering opportunities. Your list could go on and on. ***The key is matching up your event, the people who may attend and the person you are actually talking to, with the needs and/or wants of your business.*** Here are two of the most important things to keep in mind:

1) First impressions are still very important. Your personality sets the tone for your next few seconds... your smile, introduction of yourself, firm handshake, and energy should radiate. It should be obvious that you are interested in the other party and what they have to say.

2) When you identify a great relationship that could be built on, think of giving before receiving. What can I give to this person that will allow them to see and understand the benefits I offer?

Attending this year's ***TDOT DBE Annual meeting (Oct. 12th-13th 2015)***, will present you an opportunity to explore specific questions, statements and closing strategies one should consider when attending special networking events. Look forward to seeing you there!



Why You Need To Do Business Planning

Although many business owners think business planning is a waste of time, our extensive business experience tells us quite the opposite. Every successful venture begins with a detailed plan. Otherwise, how will you know in which direction to proceed to get to your destination or even what to expect once you get there?

Ericka Hayes, CPA
Business Organization & Technology Information

Here are the five top reasons you need to create a Business Plan:

1. A roadmap is essential to arrive successfully at any destination. Would you go on a summer vacation without planning out the trip, making reservations, researching the best destinations, scheduling time off and checking the weather to pack the right clothing? Your business is possibly the single most important journey you will take in your life. It deserves all the planning and research necessary to get you focused on taking the right road and going in the right direction. Determine what you want to achieve in your business and create a plan that will get you there.

2. Your team needs an effective game plan to execute your business strategy.

The best football teams huddle before every play and the coaching staff does research on the opponents before the game. Your team should be prepared with an action plan every day that will help move the organization forward toward your goals. Provide your employees with daily, weekly and monthly objectives so they and you can be as productive as possible.



3. A successful company needs smart goals. An effective strategy includes goals that are Specific, Measurable, Attainable, Relevant, and Timely (S.M.A.R.T). A SMART goal that is unspecific, unrealistic and without a deadline is little more than a wish. It is great to desire a million dollar company, but is this a realistic or immediately achievable goal? How do you plan to earn the income? Which customers will provide that income? What services will you provide to receive that income? Goal setting is not an easy task, but it will make the difference in what you achieve as a business owner.

4. In order to avoid costly mistakes, you need a financial plan. Many companies deposit checks in the bank and have some cash available, but may not know if they are even making a profit on their jobs. How much does it cost to have each of your employees on the clock every day? How much of your cost is overhead? You may need additional staff, but can you afford another employee? If not now, then when? Analysis of your financial statements and job costs can provide accurate answers to these tough questions. In business, simply guessing could cost you dearly, so your best option is to make future plans based on past results. Use your current financial information to assist you with planning your financial future.

5. In order for marketing to be effective, it must be accurate and focused. Creating a marketing plan will help you identify who your best customers are, how you can reach those customers, how much you can expect to earn from each customer and what steps you need to take each day to successfully reach your goals.

Business planning is a necessary tool to help make your business prosperous. Although it can be overwhelming when attempted in isolation, know that the TDOT Supportive Services consultants are here to help you with your business planning needs. We have the expertise to assist you with creating a solid roadmap of smart goals, a focused marketing plan and an effective game plan to help focus your efforts. Please contact our office to request assistance. We will be happy to help you create a plan that will help make your business goals a reality.

**TDOT**
Department of
Transportation**MARK YOUR CALENDAR**
Join friends and colleagues

2015 TDOT DBE

Small Business Annual Meeting

Business Strategies To Achieve Extraordinary Results: The Future Begins Now!

Event

The only state-wide event that brings together DBEs, prime contractors, industry professionals and key state officials in the transportation construction industry

Dates

October 12-13, 2015

Hotel

Franklin Marriott Cool Springs
700 Cool Springs Blvd., Franklin, TN 37067

Theme

Re-energize Your Competitive Advantage: Business Strategies To Achieve Extraordinary Results: The Future Begins Now is the theme for this year's annual meeting. As an attendee, you will gain information, new strategies, and valuable knowledge that will allow you to take immediate action to expand your business toward profitable growth

Attendees

Over 200 expected: DBEs, small and large businesses, prime contractors, state and federal transportation officials and other related businesses and individuals (based on past events)

**Professionals
Represented**

Construction, engineering, architecture, material suppliers, consultants, equipment manufacturers, local, state and federal representatives

Breakout Sessions

Crash Course in Networking at Big Events/The Top Five Tips for Effective Hiring/ Construction Contract Law Interesting Case Studies/Financial Strategies/Best Practices Overview of State and Federal Procurement opportunities/DBE Owner's Panel/Emerging Trends in Transportation Construction in Tennessee/DBE-Prime Matchmaking Session (advance registration required)

Matchmaker Session

Manning a table-top area or booth display represents an exceptional opportunity to put your company's brand in front of key industry leaders who have vested interests in your product or service. By becoming one of our Marketplace Hall Vendors, you have a chance to reach this uniquely targeted audience

Marketplace Hall

Open to DBEs, small businesses, prime contractors, vendors and local and state agencies. Limited space is available.

**Elevator Sales
Pitch**

Be ready at each session... you'll never know who may ask you to tell the audience about your company's competitive advantage. You'll have 2 minutes!

Web Link:

Remember: No Fee to Attend [Link to 2015 TDOT DBE Annual Meeting](#)
[Link to Meeting Registration](#)



IS YOUR BUSINESS VULNERABLE TO FRAUD?

According to the Association of Certified Fraud Examiners (ACFE), it is estimated that the typical organization loses five percent of its revenues each year to fraud. While we have a lot to think about as entrepreneurs, we do need to take time to educate ourselves about this unfortunate common business loss.

Jay B. Mercer,
QuickBooks Pro-Advisor & Tax Specialist

The Fraud Triangle

An easy way to understand fraud is to learn about the Fraud Triangle. The creation of the Fraud Triangle is credited to Dr. Donald Cressey, a well-respected criminologist and sociologist who made significant contributions to his field.

Three components need to be present in order for fraud to occur:

1. Motivation (or Need)
2. Rationalization
3. Opportunity

When all three legs of the triangle are present, fraud could occur. When fewer than three are present, we can deter fraud.

Motivation

Financial pressure at home is an example of when motivation to commit fraud is present. Fraud perpetrators find themselves in need of large amounts of cash due to any number of reasons: poor investments, gambling, flamboyant lifestyles, family requirements, or social pressure. In short, they need money and lots of it fast.

Rationalization

The person who commits fraud rationalizes the act in their mind:

- I'm too smart to get caught
- I'll put it back when my luck changes
- The company won't miss it
- I don't like the person from whom I am stealing
- I'm entitled to it

At some point in the process, the person who commits fraud loses their sense of right and wrong and their fear of any consequences.

Opportunity

Here's where you as a business owner come in. If there's a leak in your control processes, then you have created an opportunity for fraud to occur. People who handle cash, have signatory authority on a bank account, or have direct access to financial records could notice that there is an opportunity for fraud to occur and use their ability to cover the act up for some time, especially if there is poor or no oversight.

Continued on page 7



Is Your Business Vulnerable to Fraud? con't

Prevention

Once you understand a little about fraud, prevention is the next step. To some degree, all three points on the triangle can be controlled; however, most fraud prevention programs focus on the third area the most: Opportunity. When you can shut down the opportunity for fraud, then you've gone a long way to prevent it.

The Typical Fraud

According to the ACFE, the median cost of an occupational fraud case is \$145,000 and goes undetected for a median timeframe of 18 months. Fraud is most often discovered by a tip from a fellow employee.

Small Business Vulnerability

Small businesses are the most vulnerable to fraud because they employ the least amount of fraud prevention controls. Here are just a few quick tips to help prevent fraud in your organization:

- Create a culture within your organization that deters fraud and provides employees with education about fraud prevention to reduce rationalization.
- Tighten down access to financial areas, segregate duties, and use other internal control best practices to reduce opportunity.
- Provide financial literacy programs to employees to reduce need or motivation.
- The ACFE recommends that small businesses provide employees with an anonymous way to report suspicious activity.

To report TDOT Fraud <https://www.tn.gov/tdot/article/ReportFraud>

In Remembrance Of Ms. Dorothy A. Bennett



Dorothy Bennett at the 2014 Annual Meeting

Dorothy A. Bennett, owner of New Millennium Construction and Services located in Knoxville, Tennessee passed away August 5, 2015. Ms. Bennett was a TDOT-certified DBE, an avid supporter of the TDOT Supportive Services Program and a longtime close friend of The Tyler Group. Over the years Ms. Bennett participated in many of our one-on-one sessions, workshops, seminars, and annual meetings.

Our one-on-one sessions with Ms. Bennett not only allowed The Tyler Group to support her business, but it allowed us as consultants to learn from her. Ms. Bennett's wealth of knowledge of the Knoxville community and the business landscape allowed her to share insightful thoughts, business ideas and more importantly, contacts.

For those of us who greatly benefited by her presence, we can emulate that supportive personality. Her lifetime of dedication, support and self-sacrifice serve as a monument to the exemplary woman she was. Her humility, integrity, and hard work continue to inspire those who knew her. She will be truly missed!

The Tyler Group & TDOT Civil Rights Division Staff



New DBEs

Welcome

Region 1

Contract Support Services**Betty Gail Denmark**

Highway, Street, and Bridge Construction, Human Resources Consulting Services, and Office Administrative Services

Region 2

N/A

Region 3

People's Choice Moving & Storage, LLC**Sabrina Scrivens**

Full Service Residential and Commercial, Local and Long-Distance, Packing, Moving and Storage Areas

Tennatee Services, Inc.**Robert Ray Teesateskie**

Highway and Street Construction, Erosion Control, Site Preparation Contractor, Concrete Construction Contractor, All Other Specialty Trade Contractor, Specialized Freight, Trucking and Hauling

Vorieo Products, LLC**George James**

Traffic Control, Sales and Service, Supplier of Commercial and Industrial Products

Region 4

Braganza Associates, P. C.**Wendy Gross**

Architectural Design, Interior Design and Planning

Ys Springtime Cleaning Service**Charlene Moore**

Janitorial Service

Recently Renewed Firms

Region 1

TEnvironmental, Safety and Health, Inc. dba ES&H, Inc.**William Garibay**

Construction, Demolition, Asbestos, Lead Based Paint, Environmental, Safety, Industrial Hygiene, and Regulatory Training, Landscaping Services

Hicks & Ingle Corporation**Katrina M. Ivey**

Plumbing, Heating and Air Conditioning Contractor

Management Solutions, LLC**Misty D. Mayes**

Project Management/Project Controls

Schematic Design, Inc.**Girish Thakkar**

Civil Engineering Services, Site Planning and Inspection

Region 2

Earthworx, LLC**Dixon Brackett**

Surveying and Engineering

Hayward Bolt and Specialty, Inc.**Patsy J. Hayward**

Hardware Merchant Wholesalers (Distribution house for fasteners in the construction line). Sells Milwaukee tools.

Professional Concrete Finishing Company, Inc.**Ivan Toney, Jr.**

General contracting, curb & gutter, driveways, inlets, concrete finishing

Total Outdoor Services**Hannah Cox**

Street Power Sweeping, Vacuum Sweeping, Commercial Landscaping and Mowing (includes lawn care, edging, trimming hedges, etc., weed eating, mulching and landscaping, installation/maintenance), Erosion Control

Region 3

Carter Safety Consultants, Inc.**Cliftena Carter**

Engineering Services, Safety & Highway Safety Consultants, Professional and Management Development Training, Administrative Management and General Management Consulting

Elite Roofing Company of Nashville, Inc.**GD'Arcy O. Porter**

Commercial, Industrial and Residential Roofing, Commercial and Residential General Contractor

Medusa Concrete Pumping Co., LLC**Melanie Rice Harvey**

Pump Concrete for Commercial and Residential Projects.

Sod Works**Victor M. Garcia**

Landscaping Services, Site Preparation, Sod Delivery and Installation

Region 4

4J Construction Company, Inc.**Mr. Lafayette Johnson**

Concrete Foundation and Structure Contractors culvert, sidewalk, patio, curb & gutter, driveway paving & sealing, sawcutting, residential & commercial, finishing, floor surfacing, pouring, repair, resurfacing, footing & foundation, building

Brighter Days & Nites, Inc.**Dorothy Sinclair**

Electrical Contractors; Wholesale Electrical Supplies; Metal Merchant Wholesaler; Plumbing and Heating Equipment and Supplies Merchant Wholesaler

Precise Concrete Works, LLC**Martin Carodine**

Poured Concrete Foundation and Structure Contractors curb, gutter & sidewalks

Tioga Environmental Consultants, Inc.**Margaret Fay Strom**

Environmental Consulting Services: Property Assessments, Soil and Groundwater Studies, Regulatory Compliance, Asbestos Surveys

**TDOT**Department of
Transportation**Scheduled
Letting Dates
2015**October 16, November 13
(mowing & litter), December 5**2016**February 12, April 1, May 13,
June 24, August 19, October 7,
December 2**TDOT DBE Supportive Services****BUSINESS DEVELOPMENT AND TRAINING
TECHNICAL ASSISTANCE****BUSINESS ASSISTANCE**

- Business Planning
- Financial Analysis
- Leadership Development
- Business Coaching

ONE-ON-ONE TRAINING

- Strategic Marketing
- Accounting Software
- Construction Accounting
- Bidding & Estimating
- Project Management
- Contracts & Specifications
- Construction Plan Reading
- Project Controls

“Don’t start a company unless it’s an obsession and something you love. If you have an exit strategy, it’s not an obsession.”

– MARK CUBAN

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